

<Owner Title> <Owner Initial> <Owner Surname>
<Address Line 1>
<Address Line 2>
<Address Line 3>
<Postal Code>

<System date>

Investment: <Product>
Investment number: <Policy number>

Dear <Owner Title> <Owner Surname>

Merger of the Discovery Target Retirement Date 2010 Fund and 2015 Fund

The Discovery Target Retirement Date 2010 Fund and 2015 Fund have both been past their target dates for a number of years. The Funds were launched in 2007, only a few years before their planned retirement dates. Since the funds follow exactly the same strategy, it is in the best interest of clients to merge them. This will not only simplify our investment offering, but also allow us to use larger economies of scale to reduce costs.

We are merging the Discovery Target Retirement Date 2010 Fund and the Discovery Target Retirement Date 2015 Fund on 14 August 2020.

How this affects you

On <dd Month YYYY>, we will transfer all the assets that were in the Discovery Target Retirement Date 2010 Fund to the Discovery Target Retirement Date 2015 Fund. You may notice a switch on your statement reflecting this.

The two funds have almost identical asset allocations. Merging the funds will benefit existing investors since the larger fund will be more efficient and will have lower total costs.

When we switch the funds, you may have to pay capital gains tax. The boosts, integration benefits and protectors on your investment (if you have any) will stay the same.

For more information about these funds, please refer to the fund fact sheets available at www.discovery.co.za > **Investments > Funds and fact sheets > Choose your Discovery funds.**

Contact us

If you would like more information, please contact your financial adviser or call us on 0860 67 57 77. You can also email us at invest_support@discovery.co.za.

Thank you for investing with Discovery as we continue to enhance our offering and make your money work harder for you.

Regards



Lance Geysler
Chief Operating Officer
Discovery Invest

Your financial adviser's details

<Intermediary name(/s)> <Intermediary surname>
 <Intermediary House>
 Cell: <Intermediary telephone number>
 Email: <Intermediary email address>
 <Franchise name>

FAIS notice and disclaimer

Discovery is not liable for any actions taken by any person based on the correctness of this information. For full details on the products, benefits and any conditions, please refer to the relevant brochure or fact file. Investors should be aware of the risks when purchasing a financial product, as past performance is not necessarily a guide to the future.

This letter is meant for information purposes and must not be taken as financial advice. For tailored financial advice, please contact your financial adviser.

Discovery Life Investment Services Pty (Ltd), registration number 2007/005969/07, branded as Discovery Invest, is an authorised financial services provider. All life insurance products are underwritten by Discovery Life Ltd, registration number 1966/003901/06. An authorised financial service provider and registered credit provider, NCA Reg No. NCRCP3555. Product rules, terms and conditions apply.

<p>Collective investment scheme disclosures: Long-only portfolios (collective investment scheme in securities) Risks (portfolio specific) <i>Derivatives:</i> We cannot promise that the derivative strategy a portfolio uses will succeed. A portfolio's management can use a sophisticated risk-management process to oversee and manage derivative exposures within a portfolio. However, using derivative instruments can involve risks different from and, in certain cases, greater than the risks presented by the securities they are derived from.</p> <p><i>Exposure to foreign securities:</i> Foreign securities in portfolios can have additional material risks, depending on the specific risks that affect that country such as: potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign-exchange risks, tax risks, settlement risks, and potential limitations on the availability of market information. Fluctuations or changes in exchange rates can cause the value of underlying international investments to go up or down. An investment in a currency other than their country's own can expose the investor to a foreign exchange risk.</p> <p><i>Money market portfolios:</i> A money market portfolio is not a bank deposit account. A constant price (CNAV) is applied to a participatory interest (the amount you invest). The total return to the investor is made up of the interest received and any gain or loss made on</p>	<p>General Collective investment schemes (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) or the investment can go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can borrow and scrip lend (that is, borrow and lend assets). The manager does not provide any guarantee on either the capital or the return of a portfolio. Any forecasts and commentary in this document are not guaranteed to happen. Different classes of participatory interests apply to these portfolios and different fees and charges apply. A schedule of all fees and charges, including VAT and maximum commissions, is available if you request it from us or from your financial adviser. We use forward pricing.</p> <p>Redemptions The collective investment scheme can borrow up to 10% of the market value of the portfolio to overcome insufficient liquidity. The ability of the portfolio to repurchase depends on the liquidity of the securities and cash of the portfolio. A manager can suspend repurchases for a period, subject to regulatory approval, to wait for liquidity. The manager must keep the investors informed about these circumstances.</p> <p>Yields The yields for bond, income and money-market portfolios is historic and is calculated quarterly.</p>	<p>Valuations and transaction cut-off times Pricing is done daily, except over weekends and on public holidays. The valuation point is at 16:00 on each pricing date, except at month-end, when it is at 17:00. Offers to repurchase participatory interests must be received by 16:00 on each pricing date.</p> <p>Additional information For additional information on the portfolio, refer to the following documents:</p> <ul style="list-style-type: none"> • Application forms • Annual report • Fee schedule • Quarterly General Investor Report <p>They are available on our website, from your financial adviser, or on request from the manager, free of charge.</p> <p>Complaints and conflicts of interest The complaints policy and procedure, as well as the conflict-of-interest management policy, are available on our website at www.discovery.co.za. Associates of the manager can be invested in certain portfolios, and these details are available from the manager.</p> <p>Closing a portfolio The manager has the right to close certain portfolios to new investors to manage them more efficiently according to their mandates.</p> <p>Contact details Collective investment scheme manager</p>
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any particular instrument. In most cases the return merely increases or decreases the daily yield.

However, in the case of abnormal losses, it can reduce the capital value of the portfolio.

Withdrawing too much from the portfolio can put the portfolio under liquidity pressures. In this case, a process of ring-fencing withdrawal instructions and managed payouts over time can be followed.

Fund of funds: A fund of funds is a portfolio that invests in portfolios of collective investment schemes (unit trusts) that levy their own charges, which could result in a higher fee structure for the fund of funds.

Feeder funds: A feeder fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charges and that could result in a higher fee structure for the feeder fund.

Drawdown: The potential magnitude of loss, that is the largest peak-to-trough decline in returns over the period, is also known as the maximum drawdown.

Liquidity: The risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the necessary profit).

Equities: The value of equities can vary according to company profits and future prospects as well as more general market factors. If a company defaults, the owners of their equity are the last to receive any financial payment from that company.

Bonds: The value of fixed income investments (such as bonds) tends to decrease when interest rates or inflation rises. Bonds issued by major governments and companies are more stable than those issued by emerging markets or smaller corporate issuers. If an issuer experiences financial difficulty, there can be a risk to some, or all, of the capital invested. Any historical or current yields quoted should not be considered reliable indicators of future performance.

For a detailed description of these risks, and other risks that are relevant to the portfolio, please refer to the collective investment scheme risk disclosure document, available at www.discovery.co.za.

Prices

The latest prices and total expense ratios are published daily in the Business Report (South Africa's National Financial Daily) and are available at www.discovery.co.za.

Performance fees

We do not charge performance fees on the portfolios.

Performance returns

Lump-sum performance returns are being quoted. Income distributions, before paying the taxes that apply, are included in the performance calculations. Net-asset-value to net-asset-value figures have been used for the performance calculations as the manager calculated at the valuation point defined in the deed over all reporting periods. Any person can request and receive investment performance calculations for verification. Reinvestment of income is calculated on the actual amount distributed for each participatory interest using the ex-dividend date net-asset-value price that applies to the class of the portfolio, no matter the actual reinvestment date. The performance is calculated for the fee class.

The individual investor's performance can differ as a result of: initial fees, the actual investment date, the date of reinvestment and dividend-withholding tax. The rate of return is calculated on the basis of total returns. The following elements can involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy.

Annualised returns are returns over a period rescaled to a period of one year. This allows investors to compare returns of different assets that they have owned for different lengths of time. All period returns greater than one year have been annualised. Returns for periods less than one year have not been annualised. A cumulative return is the combined amount an investment has gained or lost over time, no matter how long the period was. The actual yearly figures are available to the investor on request. Illustrative investment performances are only meant as explanations.

Discovery Life Collective Investments (Pty) Ltd, registration number 2007/008998/07, 1 Discovery Place, Sandton 2196, www.discovery.co.za. The manager is registered as a manager of collective investment schemes in terms of the Collective Investment Schemes Control Act 45 of 2002.

The manager, through Discovery Holdings Limited, is a member of the Association for Savings and Investment South Africa (ASISA).

Trustee

Standard Chartered Bank (Johannesburg Branch), registration number 2003/020177/10, 2nd Floor, 115 West Street, Sandton 2196, PO Box 782080, Sandton 2146, www.standardchartered.com/za. The trustee is registered as a trustee of collective investment schemes, in terms of the Collective Investment Schemes Control Act.

Investment manager of the Discovery Aggressive Dynamic Asset Optimiser Fund of Funds, Discovery Conservative Dynamic Asset Optimiser Fund of Funds, and the Discovery Moderate Dynamic Asset Optimiser Fund of Funds

RisCura Invest (Pty) Ltd, registration number 2009/015999/07, FSP number 40909, Montclare Place Corner Campground and Main roads, Claremont, Cape Town, PO Box 23983, Claremont 7735, 021 673 6999.

Investment manager of all other portfolios

Investec Asset Management (Pty) Ltd, registration number 1984/011235/07, FSP number 587, 36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, www.investecassetmanagement.com, 0860 11 01 61.

The investment managers are authorised financial services providers, as discretionary financial service providers, in terms of Section 8 of the Financial Advisory and Intermediary Services (FAIS) Act 37 of 2002. This information is not advice, as defined in FAIS Act. Please be advised that representatives may be acting under supervision.